



The Pizza Times

Volume Two, Issue Four

December 1982

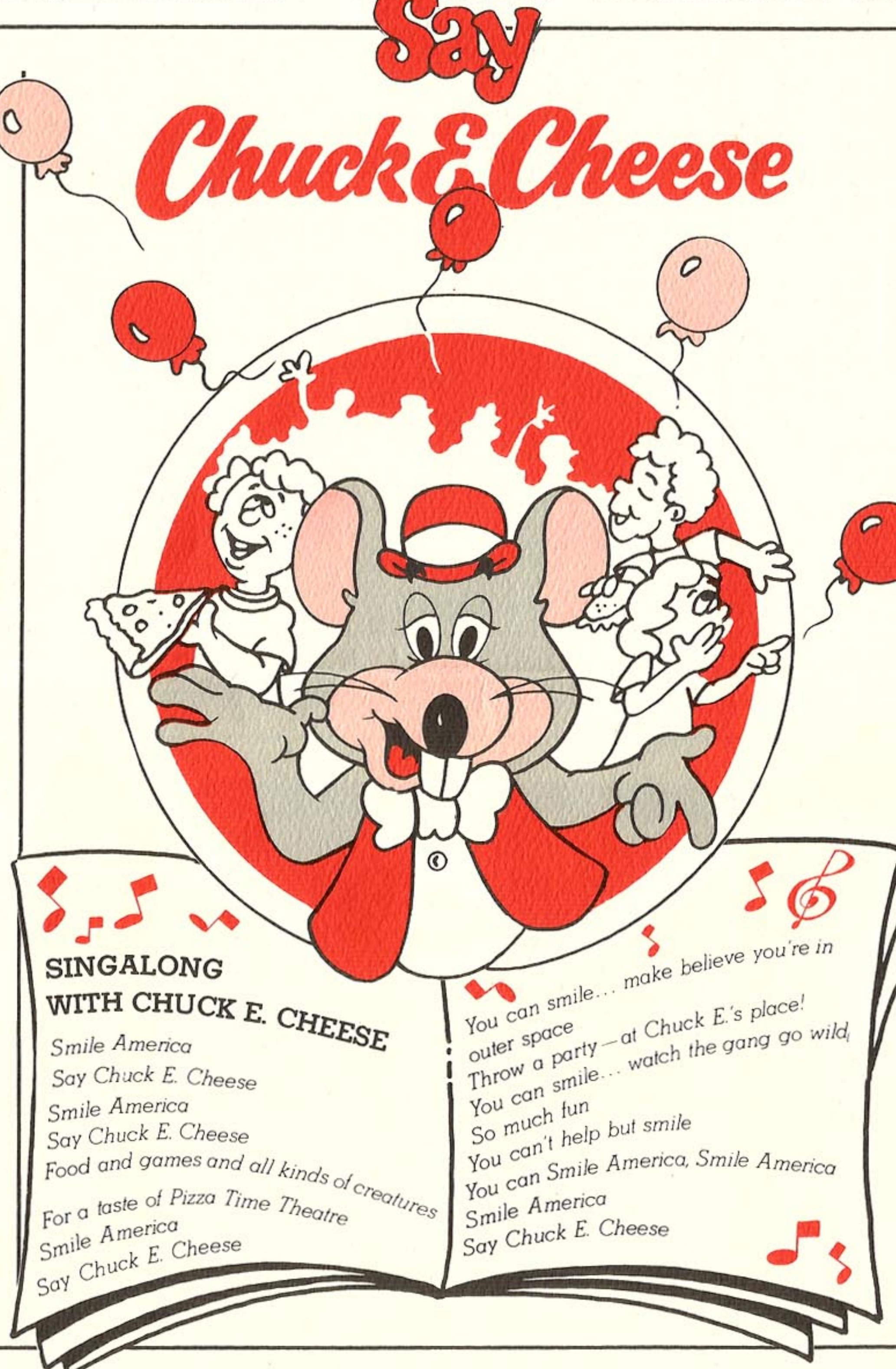
SMILE AMERICA

New Advertising Campaign Launched

Pizza Time Theatre's newly released television advertising campaign launched in October has America smiling and singing along with the jingle, "Smile America, say Chuck E. Cheese."

One of the three new spots created by Cunningham and Walsh advertising agency is called "Alice," as in "Alice in Wonderland." It features a little girl, initially apprehensive about her first visit to Chuck E. Cheese's, befriended by Chuck E. himself. The spot shows Chuck E. leading the delighted child through a fantasy land of fun, games, pizza and smiling faces. David O'Connor, Cunningham and Walsh's management supervisor for the account, says he wants parents who view the commercial to say, "I'd like my child to be that happy."

Another spot focuses on a child having a birthday party at Chuck E. Cheese's. And the third spot shows a mother playing skeeball with her young son, getting a helping hand from Chuck E. All the spots feature the Chuck E. Cheese walk-around character with an animated face. Chuck E.'s special "talking head," as well as those



for Munch, Jasper and Pasqually, were made by Shafton, Inc. of North Hollywood, a company that has been making costumes and special effects for movies for over 40 years. The winking eyes, moving mouths and other animated features bring Chuck E. and the Pizza Time Players to life in the commercials.

The new spots, which are targeted to children 2 to 12 years old and their parents, ran during October, November and December on children's programming. In 1983, the campaign will expand into family programming and, in May, into network television across America.

One of the highlights of the Alice commercial is Chuck E.'s "Hi" sign (the index finger brushing the side of the nose) to the little girl which she returns to him, signifying her satisfaction at being at Pizza Time Theatre. Chuck E. walk-around characters in the stores have been using this happy gesture for the enjoyment of the guests and report a favorable response from children and parents alike. Cast members are encouraged to try the "Hi" sign out on their young customers.

To further reinforce the "Smile America" campaign, cast members are wearing "Smile America" buttons on their uniforms. In addition, "Smile America" t-shirts in children's sizes are now available from the corporate distribution center for sale in the general stores.

Pizza Time Theatre Hits 200

Two milestone stores opened in December, each making a unique contribution to the growth of Pizza Time Theatre. The new Hong Kong unit brings the total number of Pizza Time Theatres to 200, a doubling in size in just nine months, while the Reno Pizza Time becomes the 100th corporate store to open.

Hong Kong's Pizza Time Theatre, located on the ground floor of the Hilton Towers, Tsim Sha Tsui East, Kowloon, is the third international unit to open, joining Canada and Australia.

The unit is 9,000 square feet in size, with seating for 250 people. In addition to the Pizza Time Players with guest star Madame Oink, the store features the "King." Pizza Time's rock'n'roll lion is making his first appearance outside the U.S. The store includes 40 games and has a menu offering pizza with shrimp topping, and spaghetti, in addition to the standard entrees.

The store is franchised by the Whimsy Company Ltd., whose principals include Robert Go, chairman; Philip Morias, director; and Gus Chow, a director and the store's general manager.

Reno's Pizza Time Theatre, the fifth in Nevada, is 10,500 square feet, has 60 games, and seats 300 people in its dining areas. It also features the popular "King."



1983 Year of Group Sales

Chuck E. Cheese is kicking off 1983 with a new program to increase group sales in corporate stores. Developed and coordinated by Jerry Ashton, group sales consultant, and Don Schulte, director of franchise marketing, the group sales program is now in place in all corporate regions.

Pat Saign, vice president of marketing says, "One of Pizza Time's biggest assets is the size of our stores, and our ability to handle group business. There's unlimited potential for group sales, and we intend to tap that market with this new program."

Program Goals

The goals of the program are to increase group sales by 100% in 1983, assist general managers with marketing responsibilities, and to reduce store-level labor costs related to promotion. To carry out these objectives, the company has hired sixteen marketing sales representatives, five in the Southern California region, four in the Northern California and Central regions, and three in the Eastern region. The sales representatives will be able to offer groups of 20 or more a choice of two attractive packages including pizza, beverage and game tokens—Chuck E's Choice at \$4.95 per person and Pasqually's Package at \$3.95 per person.

Currently the sales representatives are developing, soliciting and

maintaining community contacts with local groups, organizations and businesses for each Pizza Time Theatre in their area. Their territories include at least five stores. The sales reps, who report to the regional marketing managers, will communicate their sales and scheduled sales dates to the stores for appropriate coordination and implementation of the group package. They will also refer regional groups, programs and promotional ideas to the regional marketing managers.

Before commencing work in their territories, the marketing sales representatives completed a two-week course of classroom, sales, and operations training, and additional field training under the direction of the regional marketing managers.

The marketing sales representatives are:

Northern California

Robin Blanc
Bonnie Collins
Kate McConkey
Joan Louise Nelson

Central Region

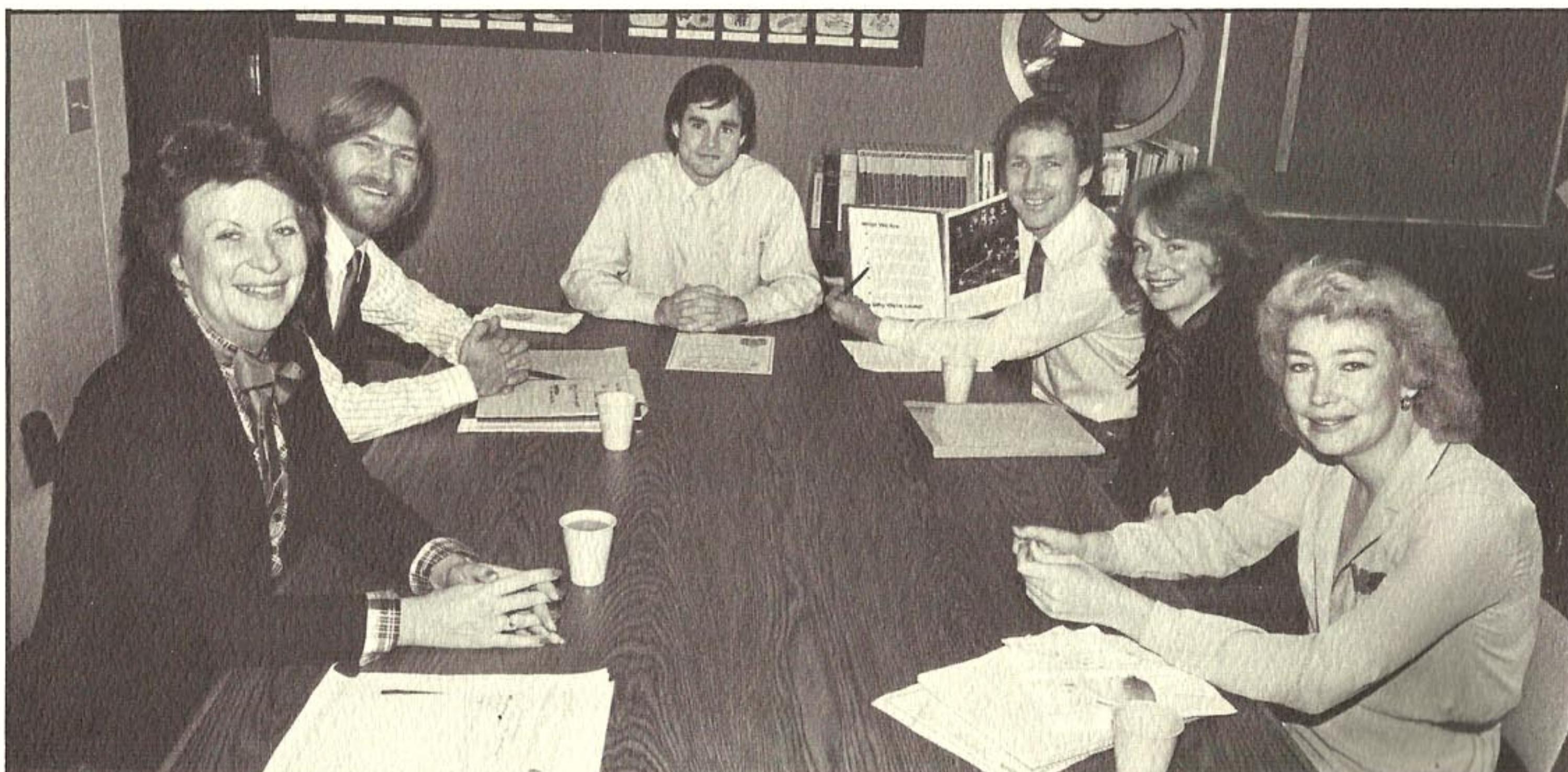
Vicky Carlberg
Kathy Favel
Lois Harris
Sherry Wagener

Southern California and Nevada

Jan Boyd
Regina Carven
Sandy Goldhamer
Robin Hoklotubbe
Wendy Rousselot

Eastern Region

Suzanne Robb
Rhonda Kaminsky
Nita Ekwurzel



At one of the training sessions, members of the Northern California sales staff met to discuss the new group sales program. Pictured, left to right, are: Kate McConkey, sales representative; Rick Sikorski, marketing manager; Don Schulte, franchise marketing director; Jerry Ashton, group sales consultant; and sales representatives Joan Nelson and Bonnie Collins.

Marketing Promotions

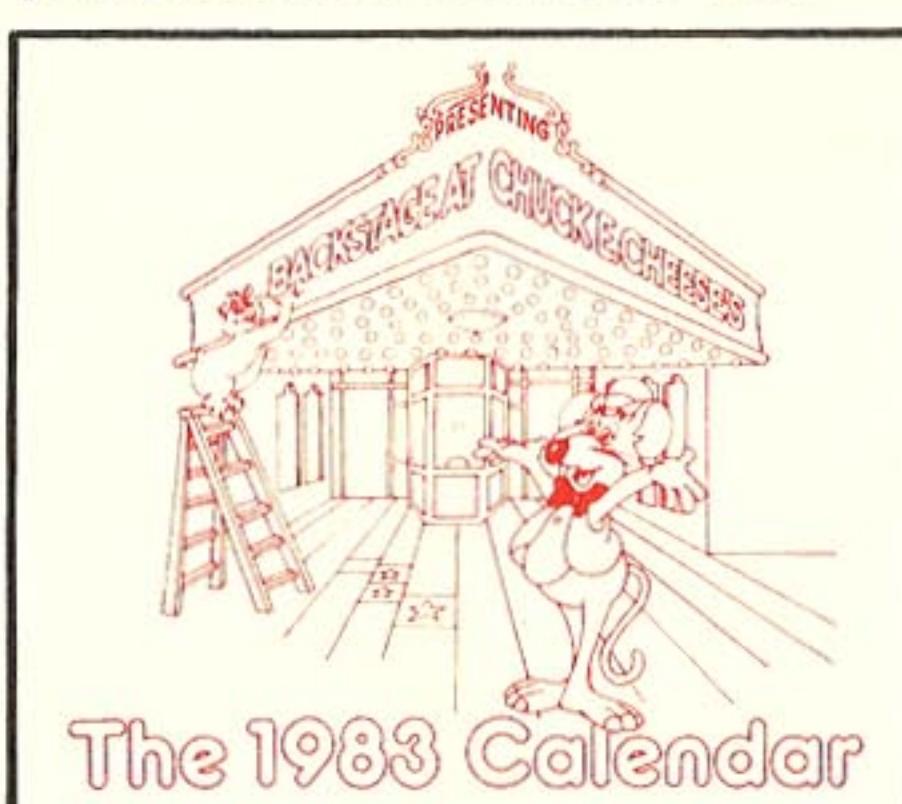


Chuck E. Cheese Movie Program

Chuck E. Cheese is encouraging families to dine at Pizza Time Theatre before or after going to a movie by giving 10 free game tokens for each movie ticket stub returned with a food purchase. This program, designed to capitalize on heavy movie attendance during the holidays and school vacations, is being publicized by posters placed throughout the stores and in movie theaters, where possible. Regional marketing managers are also contacting local theater managers to develop reciprocal promotions and to buy screen time.

Team Sponsorships

Offering youth soccer teams a donation of 100 Super Bucks instead of a cash sponsorship fee benefits both the team and their local Pizza Time Theatre. When the group sells 100 Super Bucks for \$3 each, they earn \$300 for their team. Pizza Time then gets the benefit of returned Super Bucks throughout the season. This cost-effective sponsorship program should be used for the upcoming youth baseball season as well.



The new "Backstage at Chuck E. Cheese's" calendars are being offered in all participating Pizza Time Theatres. While supply lasts, customers can get a calendar with the purchase of a large pizza and salad. The calendars, which contain over \$100 worth of coupons, may also be purchased for \$1.98 in the general store.

The Pizza Times

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Reporter Jennifer Alves
Art Director Daved Garza
Designer Karen Mitchell
Illustrator Jeff Severn
Photography ... Jon Porter

Operations Outlook

by John Scott, executive vice president of operations

In 1983, the Year of Group Sales, the success of our program depends on teamwork between our operations and marketing people. With this team approach, sales plus productivity will equal increased profits.

Building group sales will be a major emphasis for the new year. To this end we have a dynamic group sales plan in place, and a well-trained staff of marketing sales representatives to implement the plan. Total success, however, depends on how well we combine the group sales program with

increased productivity in our operations. The professionalism displayed at the store level, and our concern for providing our customers quality product, service, entertainment and cleanliness are the foundation for future success.

Our goal is to build a strong national chain and we will certainly achieve this goal with the help of every member of the Pizza Time family. That means open communications and total support of our common goals. If it's your job, do it well. If it's someone else's job, support that person completely. Chuck E. Cheese's is a "You and Me" company. Let's keep it that way.

New Manufacturing Facility To Open

In mid-January, the Cyberamics manufacturing plant and the distribution center will move from the corporate headquarters complex in Sunnyvale, California to a new site in Milpitas, about seven miles east of the present location.

The Cyberamics manufacturing operation and administration offices will be housed in a 60,000 square-foot building adjacent to a 101,000

square-foot warehouse and distribution center. This new facility triples the amount of space currently available in the Sunnyvale location for manufacturing and distribution, and will allow for future expansion.

John Impson, vice president and general manager, manufacturing division, says, "We have planned a phased move over several weeks to allow a minimum disruption of operations. Naturally, we're all looking forward to more spacious and efficient quarters."

About 150 people will be employed in the Milpitas facility when it opens. Pizza Time is the first major tenant of the 109-acre industrial park located at Yosemite Drive and South Milpitas Boulevard.

Jacksonville's Winning Ways

As the unprecedented winner of two Chuck E.'s Pride Awards, the Jacksonville Pizza Time Theatre has much to be proud of. Since winning the honors for fourth quarter 1981 and now for third quarter 1982, Jacksonville has set an example of how a company store meets or exceeds corporate standards for cleanliness, customer service and quality product.

According to Tom Dorey, general manager, a number of reasons have contributed to his store's success. One of the most important is input from the cast on ways to improve operations and increase customer satisfaction. "They come up with a lot of good ideas," says Tom. "The most recent was to make a Halloween costume for Chuck E. Customers really got a kick out of seeing him dressed up."

To keep lines of communication open, monthly meetings are scheduled between managers and dough rollers, bussers, cashiers and the other departments to discuss problems or share ideas. Tom and his managers, Harry Tullus, and Spero Zepatos also use the training films as ongoing reminders of correct procedures. The emphasis on correct procedure has paid off; the Jacksonville store also won Chuck E.'s Champions suggestive sell awards for both a bartender, James Elrod, and cashier, Cathy Danner.

Tom credits the fact that his store has a large percentage of long-term employees, including the managers, as another reason for its success.

Emphasis On Cleanliness

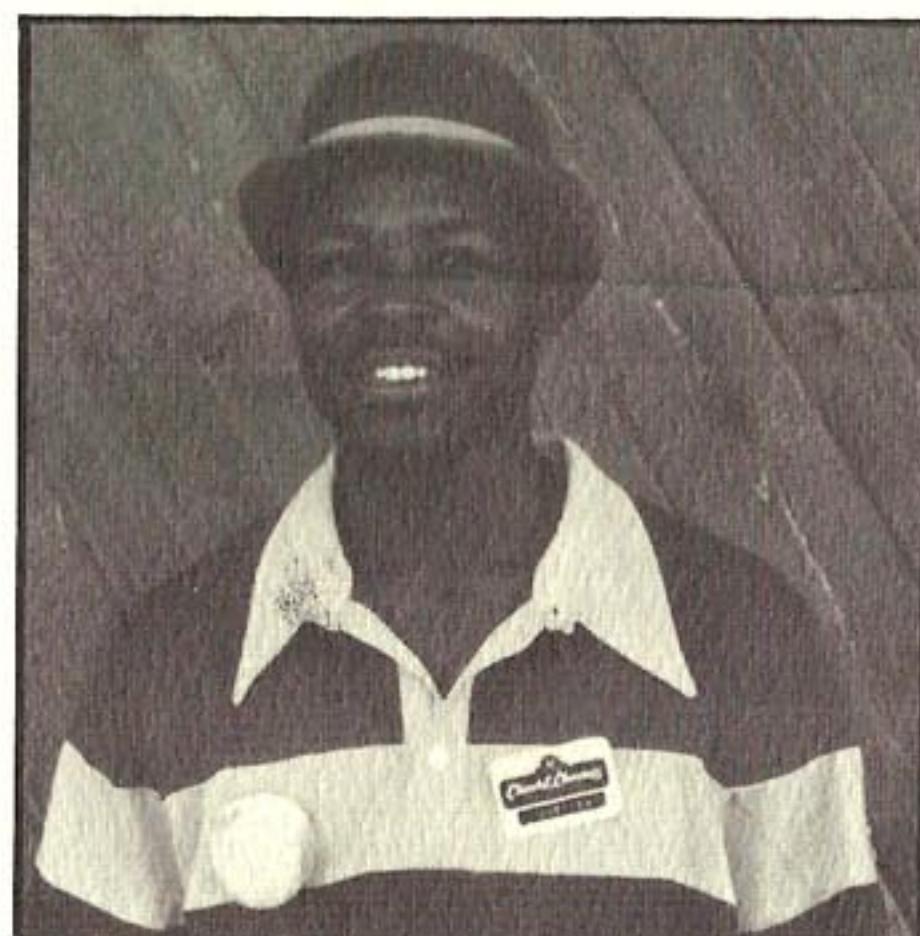
Cleanliness receives added attention at the Jacksonville Pizza Time. The managers, led by Ron Sisko, the former general manager who recently was promoted to district 3404 director, and an employee, Curtiss Johnson, developed a maintenance schedule



from the operations manual to maintain a first-rate appearance. The schedule, which includes a thorough, weekly cleaning of the carpet and polishing of the tile floors, helps keep the store looking good. Tom feels that floors free of gum and other debris are more conducive to an enjoyable dining experience, which will encourage future visits. Maintaining a clean appearance instills pride in employees about working at Chuck E. Cheese's as well. "One new employee, after looking at our kitchen, said the only place she'd ever worked that was cleaner was in a hospital!" Tom said.

All the work put in by Curtiss, a part-time employee who attends college during the day, and the rest of the staff in maintaining a good appearance helps, since the Jacksonville store has nearby ShowBiz competition. "We're stronger in the community than ShowBiz," says Tom, "because of our character appearances, school tours, group outings and birthdays."

With such a dedicated staff and attention to detail, it's easy to see why the Jacksonville store is a two-time winner of the Chuck E.'s Pride Award.



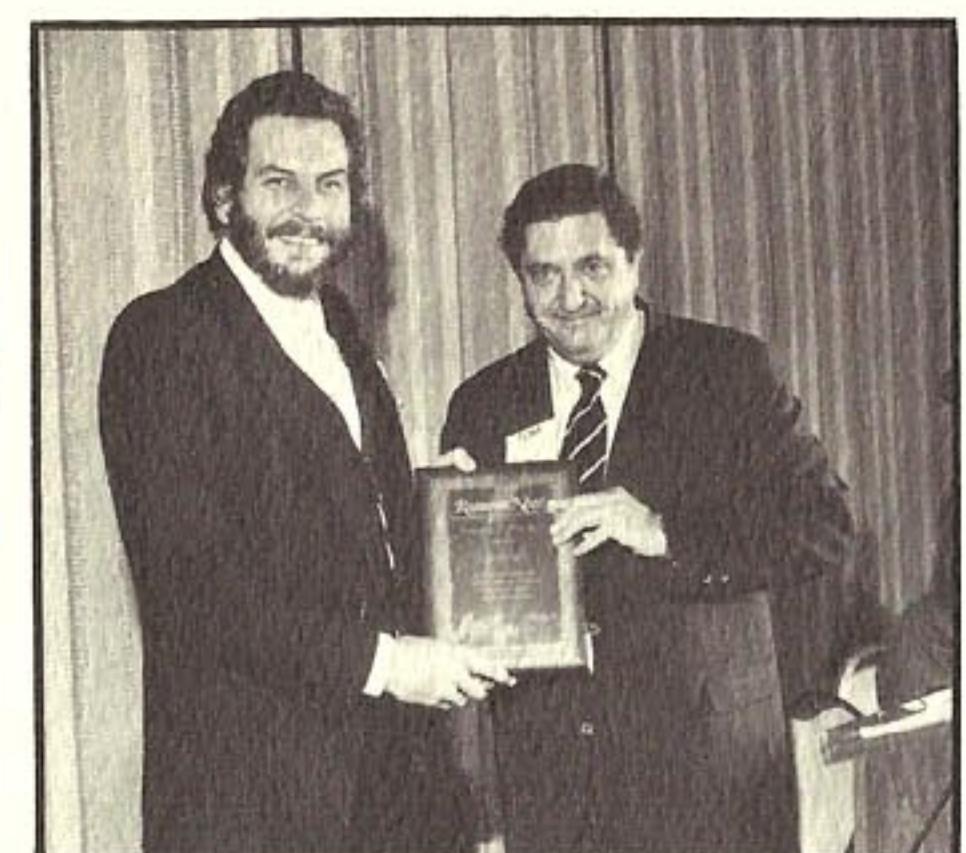
Dedicated employees like Curtiss Johnson are one of the reasons for the Jacksonville store's success.



The Blaine, Minnesota, Pizza Time (above), owned by the Mirada Corporation, won the third quarter Chuck E.'s Pride Award for a franchise store. Winner of the company store Chuck E.'s Pride Award, for the second time, is Jacksonville, Florida, below. Presenting the plaque to general manager Tom Dorey (right) and group coordinator Susan Davis (center) is Ray Mazlick, Eastern Region personnel manager.



(Photo right) Chairman Nolan Bushnell receives the "Restaurant Innovator of the Year" award at the Multi Unit Food Service Operators conference in Washington, D.C., October 26. Presenting the award is Thomas Haas (right), publication director of Nation's Restaurant News. (Photo below) Communications director Suzie Crocker accepts a silver "Echo" award for the 1981 annual report at the Direct Mail Marketing Association's International Awards Competition in Los Angeles November 3. Presenting the award are Ed Nash (left), chairman of the Echo Awards committee, and Robert Delay, president of the Direct Mail Marketing Association.



Highlights of 1982

1982 was a milestone year for Pizza Time Theatre. Here is a review of the highlights.

January... The Year of the Store Manager begins. Chuck E. Cheese's University and the test kitchen open at the San Jose, Calif., Pizza Time on Fontaine Road.

March... The 100th Pizza Time Theatre franchised by Pizza Concepts Inc., opens in Penfield, New York. Pizza Time's first annual report is published, getting rave reviews in the financial community and winning six awards by year-end.

April... The first shareholder's meeting is held at the San Jose-Fontaine Road store. The Games Manufacturing Division opens in Hollister, Calif.

May... Chuck E.'s fifth birthday! Artist LeRoy Neiman paints "The Big C's" portrait and even President Reagan joins the well-wishers by sending a congratulatory telegram.

June... The lawsuit with ShowBiz is settled out-of-court, with Brock Corp. agreeing to pay Pizza Time

a percentage of revenues on their first 160 ShowBiz units. Cunningham & Walsh, San Francisco, is selected as the new advertising agency.

August... Pizza Time stock now listed on the NASDAQ/OTC national market system.

September... Groundbreaking ceremonies for the new Milpitas manufacturing center are held.

October... "Full Speed Ahead," the second annual convention, is held on Maui, Hawaii. The Marketing Department and Cunningham & Walsh unveil the "Smile America" say Chuck E. Cheese" advertising campaign.

November... Pizza Time Theatre donates a working Chuck E. Cheese Cyberamic to the museum of electronics at Foothill College, Los Altos Hills, Calif.

December... The 200th store opens in Hong Kong, franchised by the Whimsy Company, Ltd. The 100th company-owned store opens in Reno, Nevada.

been promoted to Director of Manufacturing.

Operations

Joel Peterson has been named regional director, Eastern region. The following have been promoted to district directors for corporate stores: Tim Mamlis, Louisiana; Ed Sewell, Southern Texas; and Bill Traynor, Southern California.

Training

Bob Coltrane's new position is dean of Chuck E. Cheese's University where he has overall responsibility for the San Jose campus as well as for regional branches of the University in Texas and Florida. Jim Musgrave is now director of management development of Chuck E. Cheese's University.

Manufacturing

John Impson's new title is vice president and general manager, manufacturing division. His responsibilities include the new Milpitas manufacturing facility as well as the games manufacturing plant in Hollister. Ed Wartena has

Marketing

Don Schulte has been promoted to director of franchise marketing.

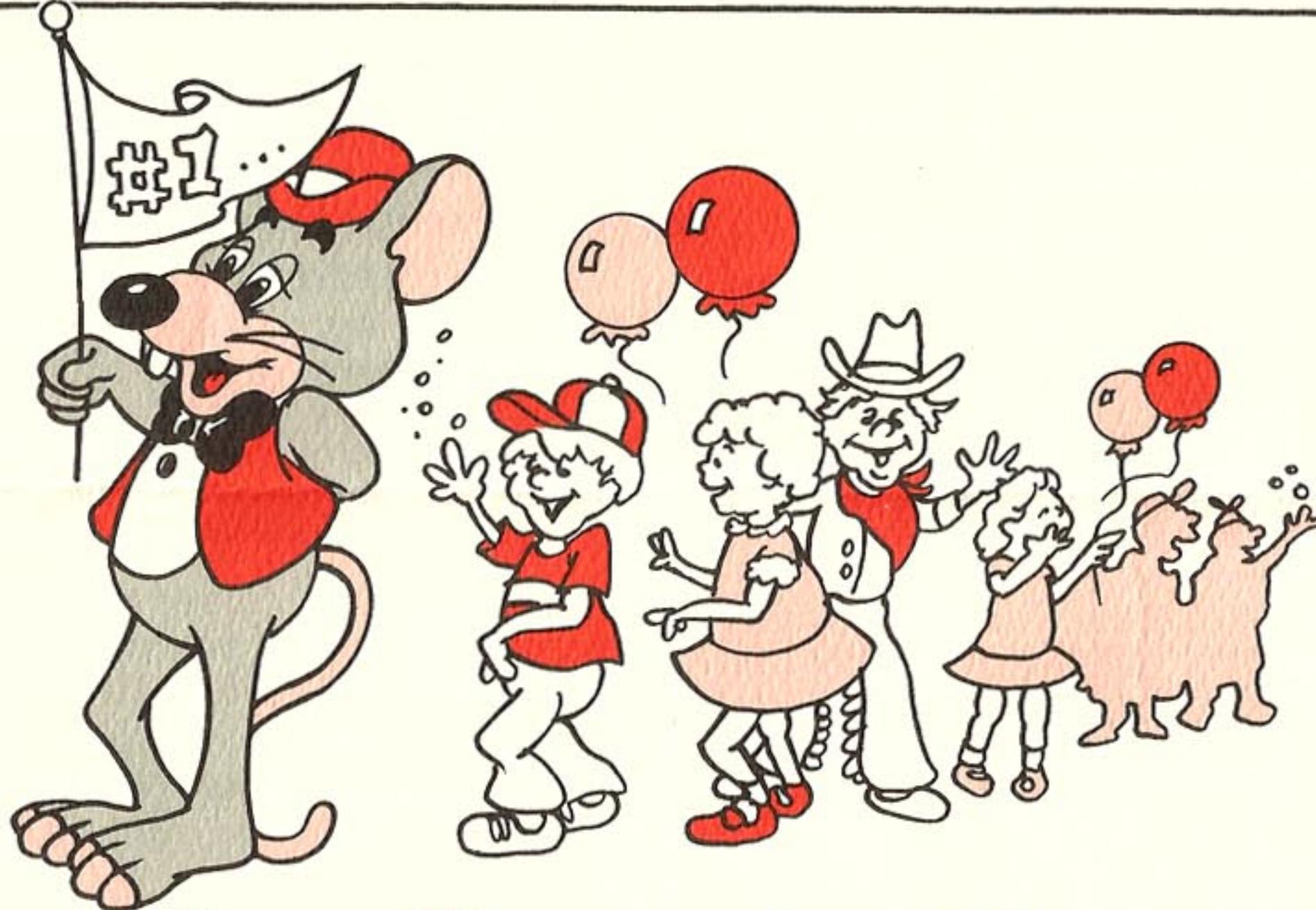
That's Entertainment

Pizza Time Theatre's Entertainment Department introduces those surfin' pups, the Beach Bowzers. A cosmetic change for the Beagles, these four blonds in baggies sing the original Beach Boys music.

For circus fans, Miss B. B. Bubbles, a cosmetic change for Dollie and Artie, makes her debut. She's 700 pounds of pink elephant singing a wide range of circus silliness, old favorites and new tunes.

Good news for Dollie Dimples fans! Her second show is now available and features songs like "You do something to me." The Beagles have released another album, "Sergeant Puppies Lonely Hearts Club Band," featuring favorite hits from their movies "Yelp!" and "A Hard Dog's Night." The King has a new show, too, with more golden hits.

On the main stage, Madame Oink is back with her fourth show, "The World of Music." She's introducing a new character herself—the tune machine, a full-sized music computer that's half juke box and half time machine.

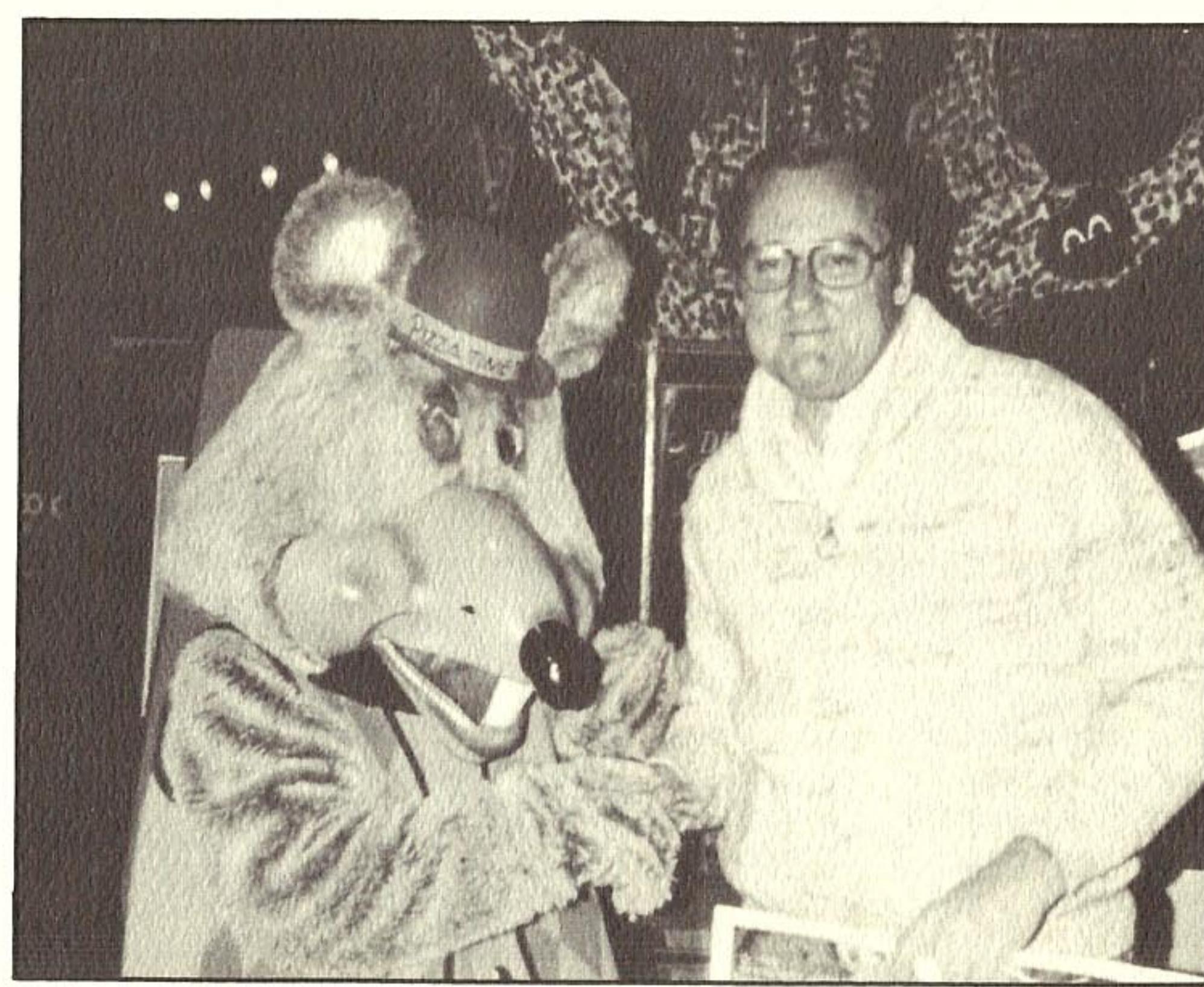


How Clearwater Takes On The Competition

As the field of competitors grows, many Pizza Time Theatres will find themselves in direct competition for a single market. The Clearwater, Florida store has a ShowBiz, a Fuzzy Wuzzy's and a Wild Wild West in close proximity. General manager Bruce Merrill and his crew have done a good job of maintaining Pizza Time's lead in the area by using easy-to-administer promotions and an aggressive character appearance program.

When ShowBiz opened, Clearwater increased its character appearance schedule, getting Chuck E. into parades, hospitals, schools, and many other places, usually passing out Chuck E. Bucks. "Kids really take to Chuck E." says Bruce. "ShowBiz doesn't do as many appearances as we do. I think one of the reasons is that Billy Bob (the ShowBiz character) is too big. He tends to frighten smaller children." Their walkaround characters also make appearances at theatres showing children's movies during the holiday season.

Fan club activity was also increased, with fan club nights held for members. Enrollment in the Corporate Fan Club, as well, rose to 30,000. "We set up free



One of the regular visitors to the Springfield, Illinois, Pizza Time is Governor Jim Thompson and his family.

token nights during the week for the larger companies in our area—those with 750 to 1,500 employees," Bruce continues. "When their employees bought a large pizza between 5 p.m. and 9 p.m., they'd receive unlimited tokens."

Bruce also stresses the need to create excitement within a unit. "Following a skit, we sometimes ask the children in the audience what the name of the song was the characters sang. The first correct answer receives either tokens, a backpack or a cap—usually items we have on hand from a promotion. This makes it seem there's always something special going on at Chuck E. Cheese's."

Clearwater also uses its ball crawl as a promotional item. "Sometimes we'll have a free ball crawl night," Bruce says. "Other times I'll get on the microphone and announce something like 'Val's new at working the ball crawl and she wants everyone to meet her, so just go up and say 'hi, Val' and you'll get in free.' Parents really appreciate us doing this for their kids, plus the employees love doing it, so it keeps the spirits pretty high around here and builds goodwill, which leads to repeat business."

Company Store Development

Leases have been signed for units in East Hartford, Bloomfield, Hamden, New Britain, and Southington, Connecticut. Leases also have been signed for locations in Scranton and Wilkes Barre, Pennsylvania. Land has been purchased for development of free-standing units in Pueblo, Colorado; Denton, Texas; and Tracy and Manteca, California.

A projected unit in Loomis, California (north of Sacramento) will be located on Bushnell Drive. Placer County has named the newly constructed access road to the site in honor of Pizza Time's founder, Nolan K. Bushnell.

The Construction Department has developed standardized plans for build-to-suit units of 10,080 square feet and 12,250 square feet. These free-standing units include playlands in place of cabaret or lounge rooms. The playlands feature such attractions as ball crawls, floor bounces, kiddie coasters, suspension bridges, spiral slides, shadow walls and play cubes. Plans call for locating cabaret characters in one end of the theatre-dining room with entertainment alternating between the Pizza Time Players' shows and the cabaret acts.

For Questions

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Chuck E. Says:



Franchise Units Open

Twenty-three new franchise units opened in the last quarter of 1982. ETR, Inc. opened new stores in Stone Mountain and Atlanta, Georgia; Houston, Texas; and Boardman, Ohio.

Family Entertainment Centers, Inc. opened two units in Virginia and one in Essex, Maryland. On the West Coast, the Northwest Company opened two more units in the Seattle area while Oregon Pizza Time Theatre, Inc. opened a store in Portland.

Pizza Concepts, Inc. opened three more stores in upstate New York while Animated Family Restaurants opened their first in Wayne, New Jersey. In Tennessee, Pizza Entertainment Centers, Inc. opened another Michigan unit in Ferndale, and their first unit in the Chicago area.

Fun Pizza Partners of Solano opened a unit in Fairfield, California and Prime Time Ventures opened in Phoenix, Arizona. Internationally, Grundy Leisure of Australia relocated their Surfers Paradise store to Carindale, a suburb of Sydney, and Whimsey Co. Limited opened the first unit in Hong Kong.

Convention Highlights

Pizza Time Theatre's second annual convention was October 1-5, 1982 at the Marriott Hotel, Maui, Hawaii. About 500 franchise owners, corporate employees and vendors attended the four-day event which included an opening general session and "Marketing 1983" presentation, Regional Franchise Advisory Council meetings, workshops, vendor information exhibit, Chuck E. Cheese's new products expo, and an awards presentation. The photographs highlight some memorable moments.

Winners of the 1982 Annual Chuck E. Awards

The annual Chuck E. awards, established at the first convention in 1981, are presented by Pizza Time Theatre to franchise and corporate store operations for excellence

Franchise Awards

- **Highest Single Week Sales Award** went to Steve Sammons and Bill McLaughlin of Pizza Concepts, Inc. for their Penfield, New York store.
- **Best Weekly Average Sales Award** went to Frank and Donna Jones, The Northwest Company, for their Federal Way, Washington store.
- **New Store Development Award** was accepted by Dave Roberts and Buz Kroner of Family Entertainment Concepts, Inc. for eight new stores opened in 1982.
- **Marketing Award** went to Tom Pogemiller and Jack Atkin of Family Pizza Centers North, Inc. for their Loves Park and Springfield, Illinois stores.
- **Outstanding Achievement Awards** were presented to Rhobie Grogan and Ken Wagener, district directors for franchise operations.
- **Best Operations Award** went to Paul Justen and Eric Siegel, Mirada Corporation, for their four Minnesota stores.
- **Innovative Contribution Award** went to Selwyn Chan and Bruce Gee of Profit Company, Limited for their Honolulu, Hawaii store.

in various categories. Listed below are the winning franchise owners, stores and corporate employees who were recognized at the awards banquet in Hawaii.

Corporate Awards

- **Outstanding Achievement Award** went to Ken Wagener, district director for franchise operations.
- **Marketing Award** was presented to Jerome Johnson, general manager of the Walnut Hill, Texas store.
- **New Store Development Award** went to Dave Zitney, district director, District 3204 in Southern California, for opening eight new stores.
- **Highest Single Week Sales Award** was accepted by Bob Coltrane, district director of management development, for the Tully Road store in San Jose, California.
- **Lowest District Turnover Award** went to Keith Bakker, district director for District 3203 in Southern California.
- **Highest Percentage Profit Award** went to Ed Sewell, district director of District 3306, for the Military Road store in San Antonio, Texas.
- **District Operational Excellence Award** went to Ron Sasko, district director of District 3404, for the Jacksonville, Florida store.



Nolan Bushnell signs the franchise agreement for England at the presentation breakfast. With him are, left to right, Jack Campbell; Per Homberg of Cherry Foretagen Co., and Joe Keenan.



Chuck E. and his date, Madame Oink, get acquainted with several franchise owners. Left to right: Bob and Marlene Dutcher of Oregon Pizza Time Theatre, Inc., Sam and June Hamra of HAV Enterprises of Missouri, and fellow Oregon franchisees Mike and Jan McGinnis.



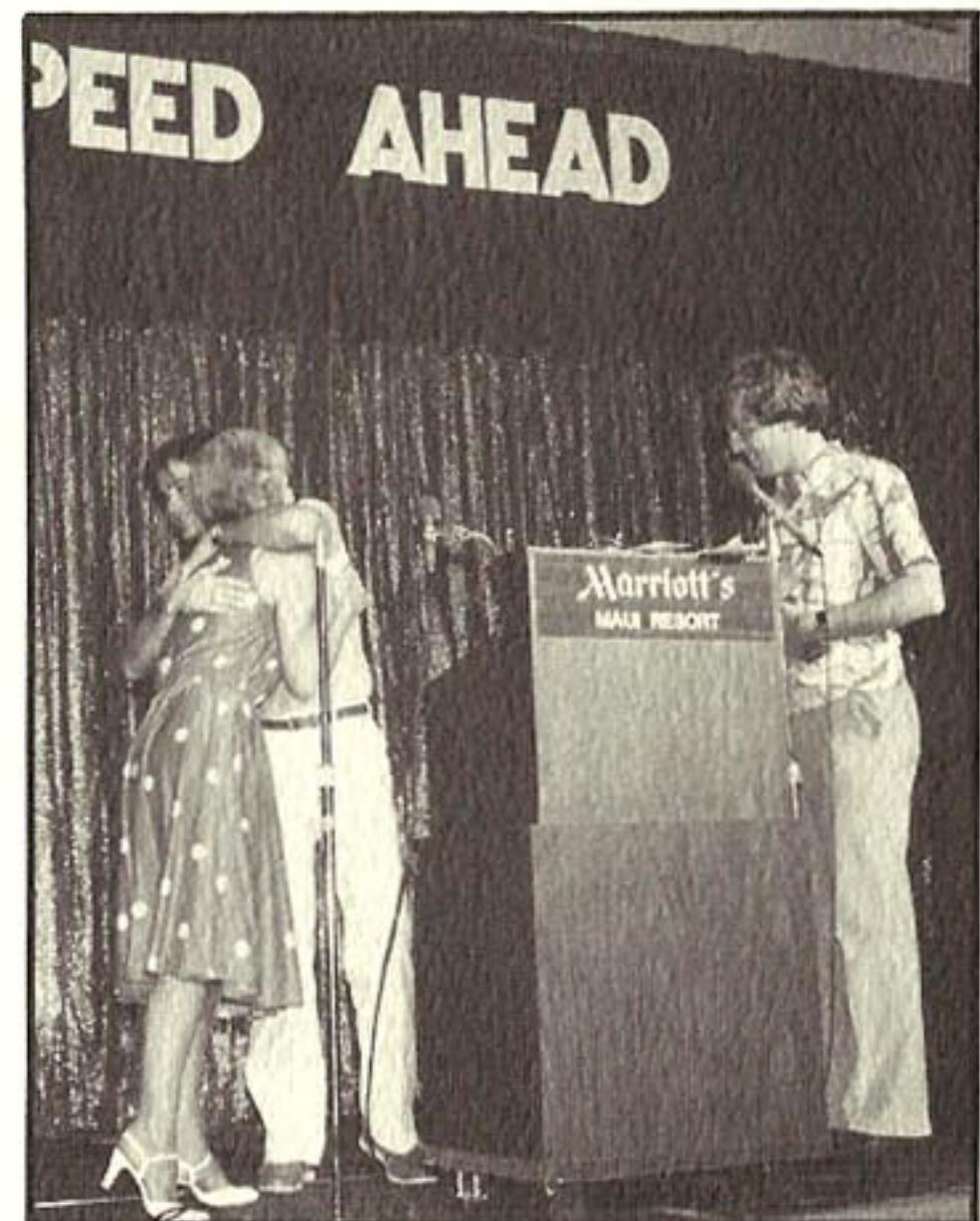
The store managers of the year take a bow on stage after receiving their awards. With them are Jerry Kenney, far left, John Scott, center, and Jack Campbell, far right.



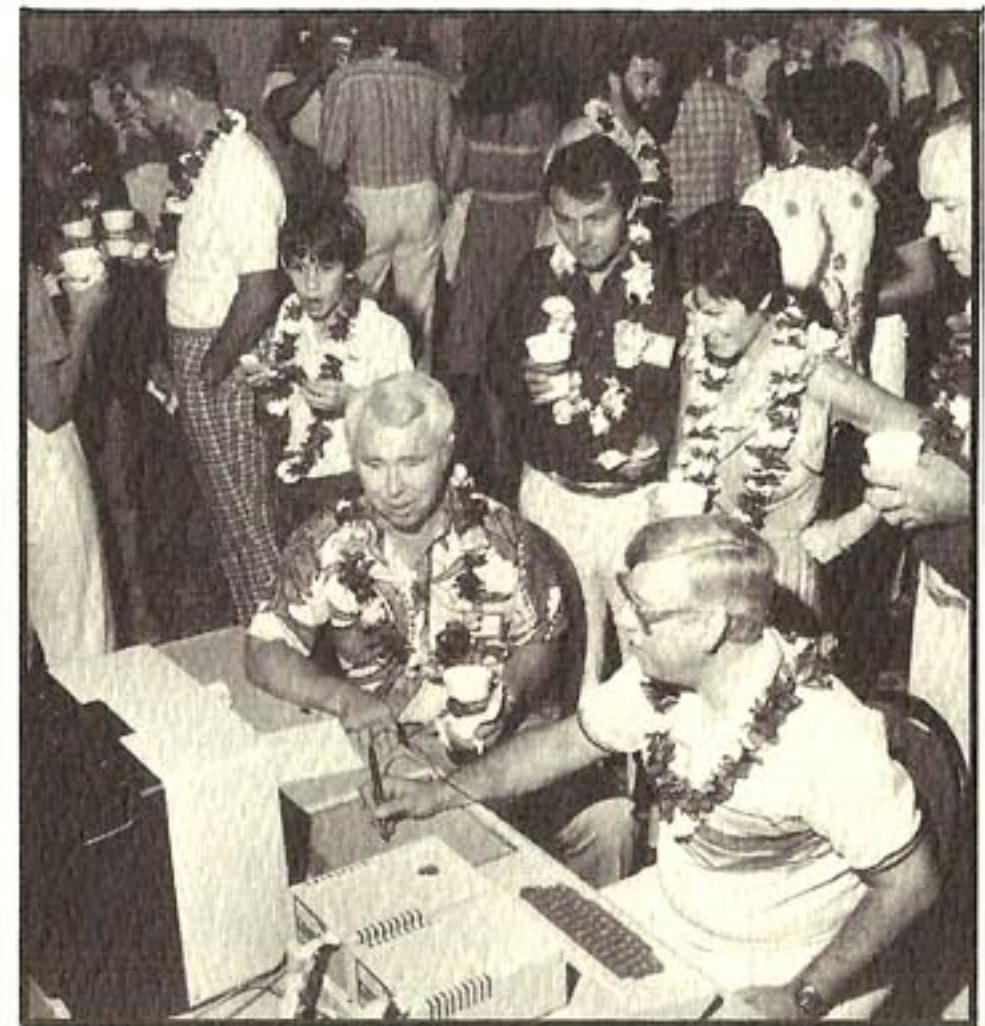
Enjoying the opening reception are, left to right, R.C. Schmidt of Family Entertainment Centers of Wisconsin; Paul Justin of Mirada Corp., Minnesota; Nolan Bushnell, and Eric Siegel, also from Mirada.



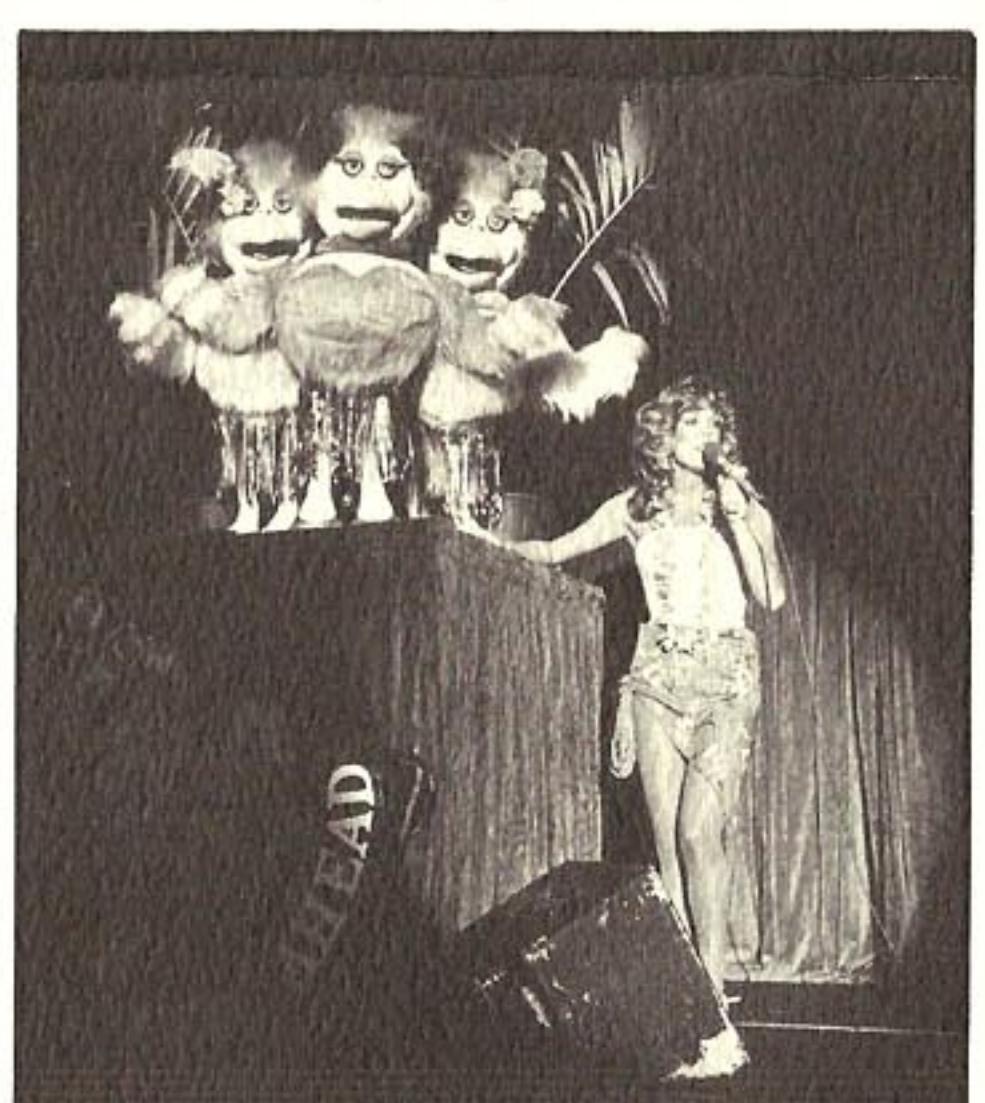
Graphics manager Daved Garza, second from right, discusses artwork with franchise principals of the Whimsey Co. of Hong Kong. Left to right: Robert Go; Jack Campbell, vice president, International; Gus Chow; and Philip Morias.



Judy Murphy receives a congratulatory hug from Don Schulte after he and Ken Wagener presented her with an outstanding achievement award for planning the convention.



Bill Gross of Forte Inc. gets a computer portrait drawn by senior illustrator Jack Nichols at the opening reception.

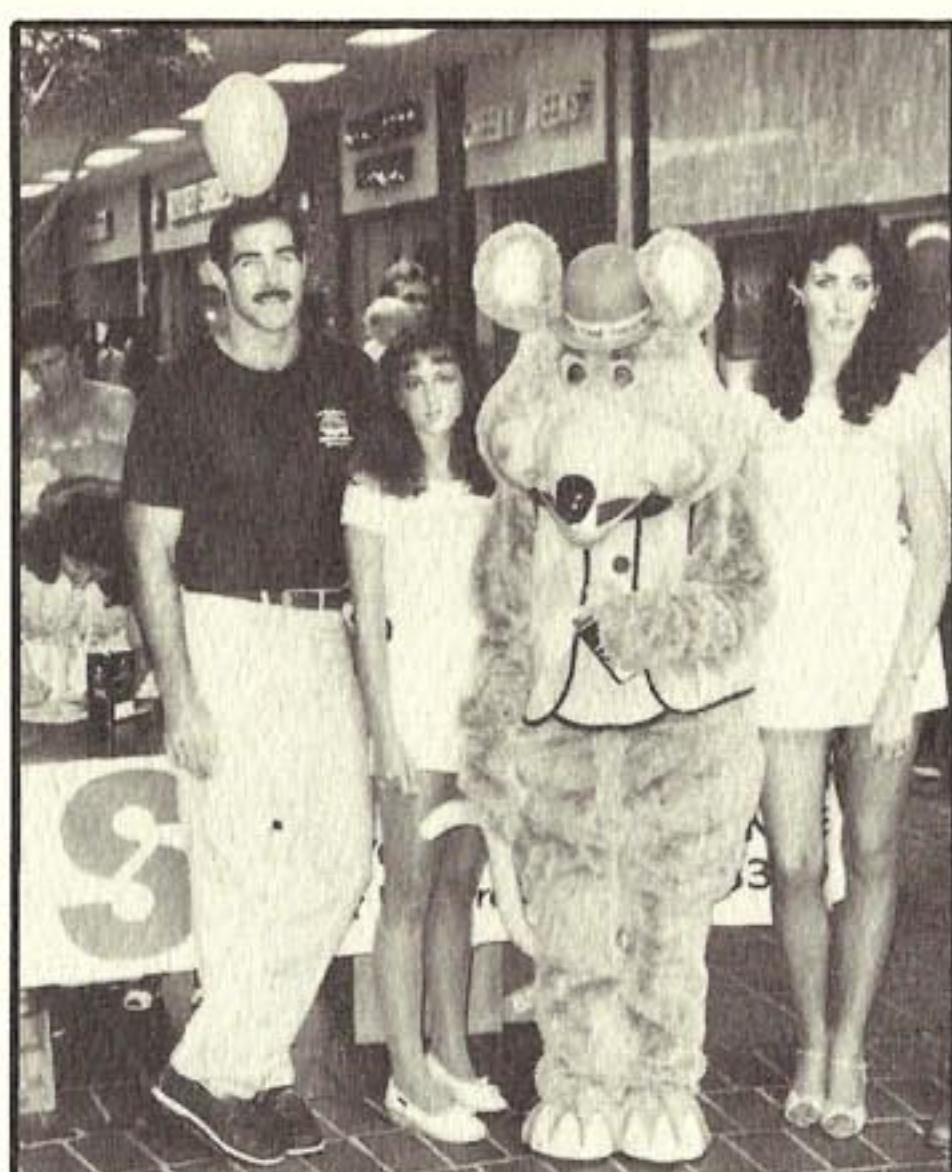


Entertainer Paula Mulcahy sings along with the Warblettes in the "Full Speed Ahead" revue at the closing banquet. Paula also does the voice of Madame Oink for Pizza Time's theatre-dining room shows.



Mike Ilitch and his daughter, Lisa, of Little Caesar Enterprises of Michigan, inspect one of the exhibits at the new products expo.

Good Ideas



WPEC-TV's "P.M. Magazine" host Rock Rote, left, pictured with Chuck E. and volunteers at a Multiple Sclerosis fund-raiser, used the Lake Worth Pizza Time Theatre as a setting for one of his shows.

Recently the Lake Worth, Florida, Pizza Time Theatre was featured on the local ABC affiliate's "P.M. Magazine" show, which reaches 57,000 households. How that happened is a good example of persistence and following up on leads by the store's group coordinator, Barbara Hayward.

Barbara met the show's co-host, Rock Rote, while participating in a fund-raiser for Multiple Sclerosis at a shopping center. The local paper took a photo of Rock with Chuck E. and published it.

Knowing that "P.M. Magazine" is always looking for interesting locations and stories for the show, Barbara sent a press release on

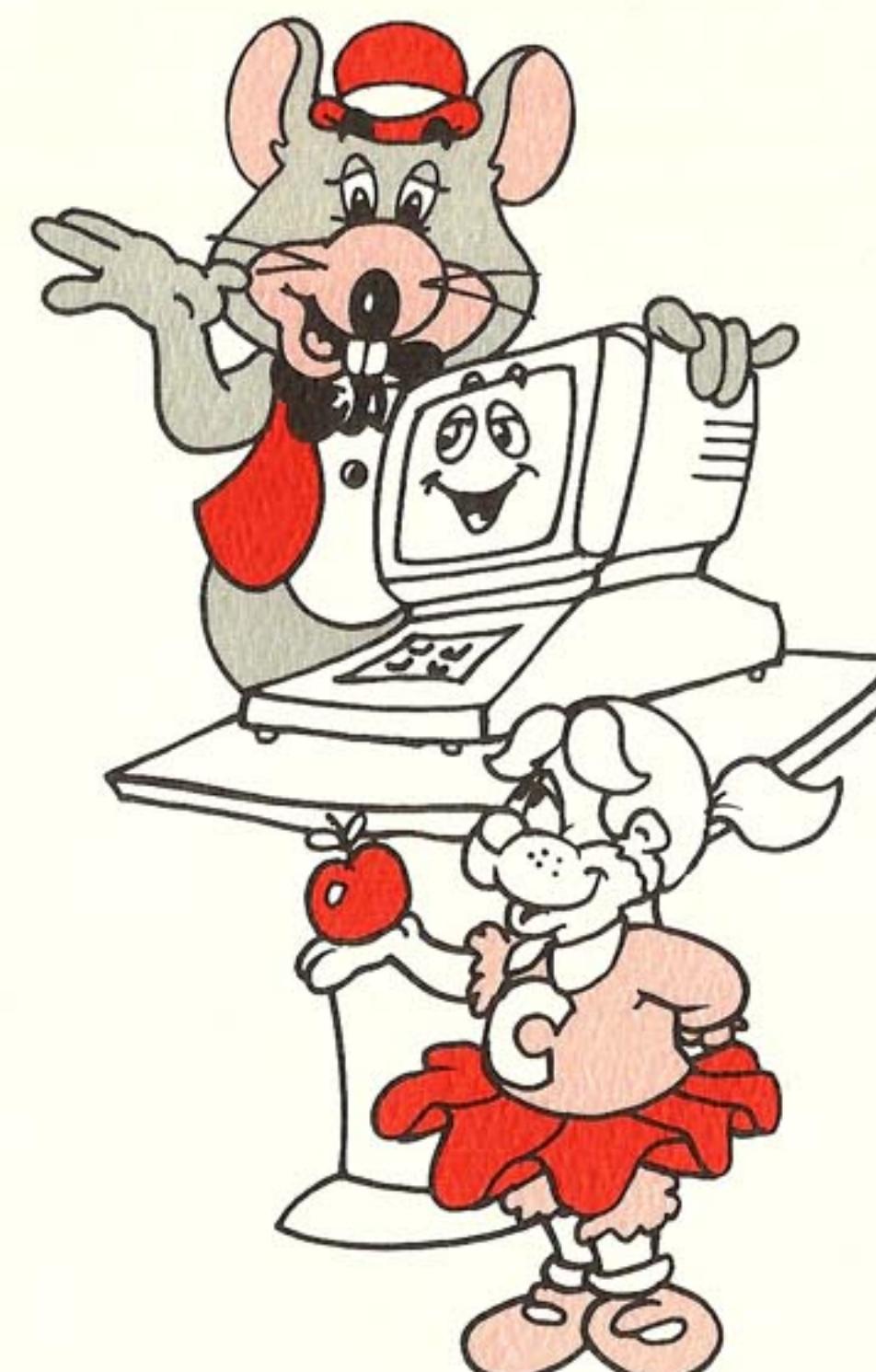
Pizza Time Theatre and a copy of the newspaper article to the station along with an invitation for the "P.M." cast to come to the store for lunch. She then followed up on the invitations with several calls, finally setting up a meeting.

Rock Rote, who hadn't heard of Pizza Time Theatre until then, was very impressed and said he wanted to do a show from there, especially since it would be the perfect place to introduce his new baby to viewers. However, two weeks went by and no word was heard from the TV station. Barbara sent another letter and more newspaper articles to Rock. Finally, after making additional phone calls, "P.M. Magazine" set a date and video taped in the Lake Worth Pizza Time.

The show opened with the host sitting in the ball crawl as he introduced the evening's stories. Besides the game room, "P.M. Magazine" also highlighted the King, the Pizza Time Players, and children enjoying birthday parties. Barbara was even introduced as the person to contact for party reservations. In addition to the Thursday night broadcast, the television station made announcements earlier in the week to let viewers know P.M. Magazine would be at Pizza Time Theatre that night.

The show created a lot of interest in Lake Worth's Pizza Time Theatre in communities where it aired. "Many people who come to our store say they saw us on television," Barbara says. "It has really helped increase our birthday parties. We're the only Pizza Time Theatre in Florida doing over 100 a week."

Success with School Computer Program

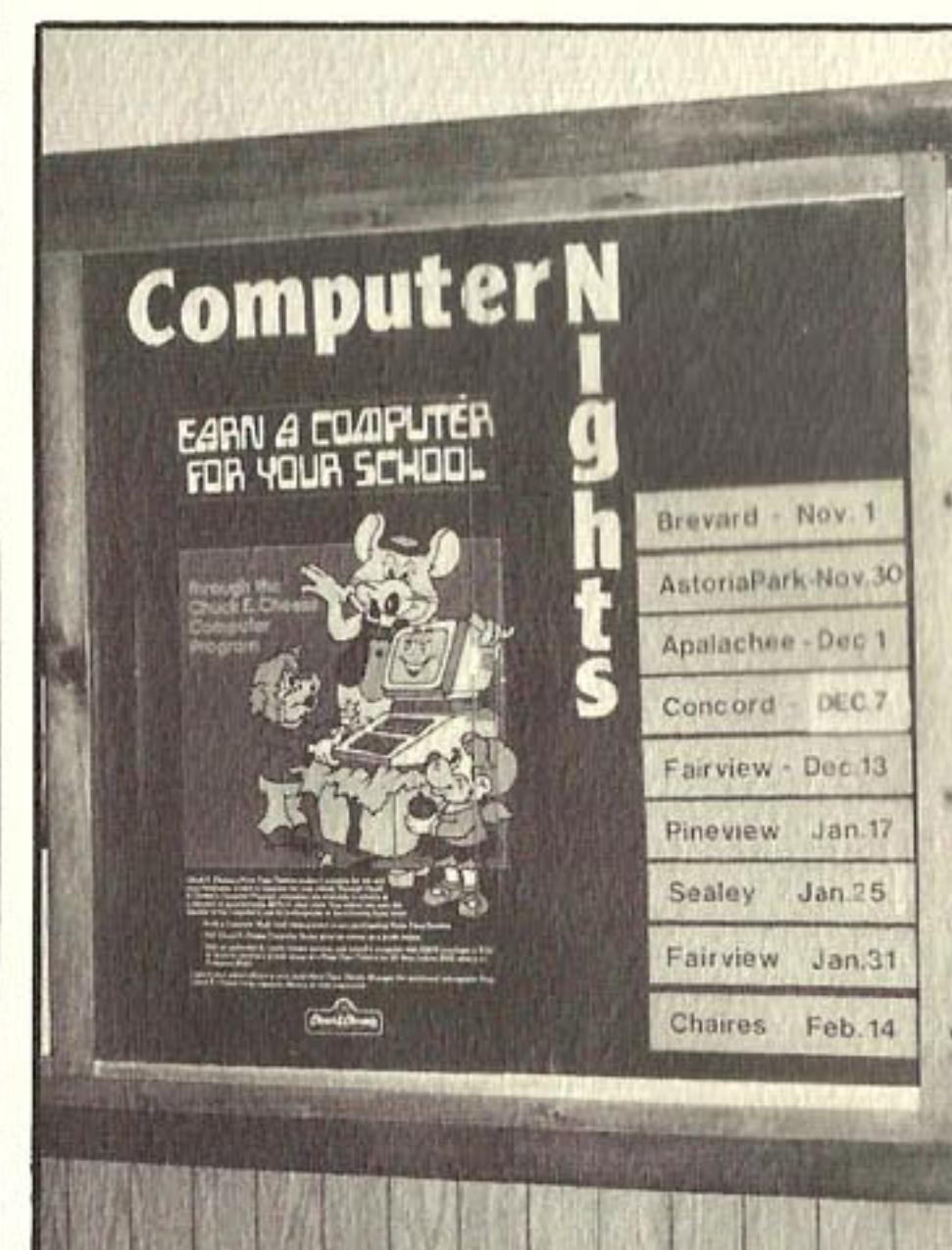


Many children in Tallahassee, Florida will be learning on computers earned by their school's participation in the Chuck E. Cheese Computer Program.

Jesse Durham, general manager of the Tallahassee store, reports great response to the program. By the first week of December, four schools had already held computer nights and completed sales of computer bucks. These schools were so successful in their fund-raising efforts that they have all ordered their computers, and several of them are ordering additional computers. Fourteen more schools are participating in the program and have booked

computer nights to be held in the following weeks.

Group coordinator Donna Clark worked closely with the local school board and invited school principals to the store for a presentation of the program. According to Durham, "Donna's hard work has paid off in increased sales and community support for Chuck E. Cheese." During the first week of December when two computer nights were held, sales increased over 30%. Durham also reports that feedback from the public has been great with many compliments to the Company for providing this worthwhile program.



The display case in the Tallahassee, Florida store publicizes the Chuck E. Cheese Computer Program and the dates of the participating school's Computer Nights.

Food Standards and Purchasing Report

The following information was compiled by Linda Sako, director of food standards.

New Products

The Food Standards Department is expanding the private label food program through approved distributors whenever substantial purchase volumes can be justified. This is a means of controlling product quality and cost, and maximizing national availability of corporate's specified products. Two new additions include Chuck E. Cheese Italian Dry Salami and Chuck E. Cheese All-Beef Hot dogs, at reduced prices, which authorized distributors currently stock.

During summer 1982 our Chuck E. Cheese birthday cake was introduced in most Pizza Time Theatres. Since that time more than a dozen company stores have surpassed 100 birthday parties a week, a first for Pizza Time Theatre. Chain-wide sales are increasing dramatically. The cake is chocolate with a white buttercream frosting. Each is decorated with a molded sugar rendition of Chuck E. Cheese, candles, and the birthday person's name. Parties of six or more scheduled Monday through Friday between 11:00 a.m. and 4:00 p.m. receive a free birthday cake. The cake is available for sale at other times.

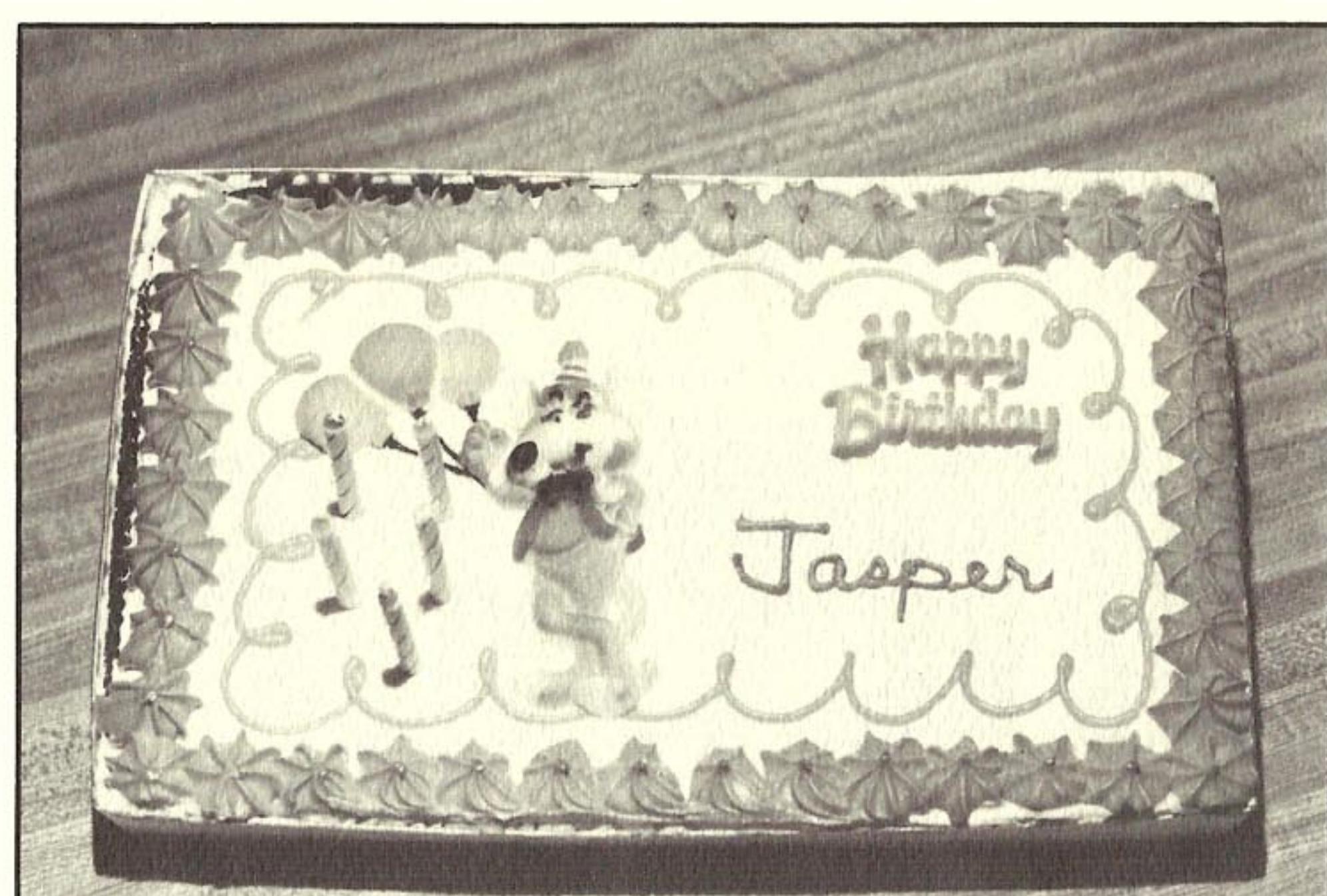
Salad Bar Program

Over the past several months an

upgraded salad bar program has been tested extensively in the North Bay district. As a result, a new comprehensive Salad Bar Manual will be distributed chain-wide in January. The manual includes detailed preparation procedures, new ingredients, smallwares recommendations, and a choice of ingredient layouts. The manual will serve as a means of standardizing a key part of Pizza Time Theatre's menu and to re-emphasize our quality food statement.

Pricing

- Flour prices will remain firm through the first of the year. A stable market is predicted in the early spring, contingent upon purchases by foreign markets.
- Pork prices have dropped slightly this winter. Particularly effected was PTT's pepperoni, which experienced a 9% price reduction. Minimal rises in beef and pork prices are anticipated throughout the remainder of the year.
- Tomato products have been contracted for the 1982-83 season in order to combat domestic shortages. As a result, prices should remain 10-15% below 1981-82.
- The Cheddar Market, which largely determines the price of all natural cheese, is expected



to fluctuate plus or minus 2¢ per pound between now and July. However, Congressional decisions to be made in late December will confirm 1983 prices.

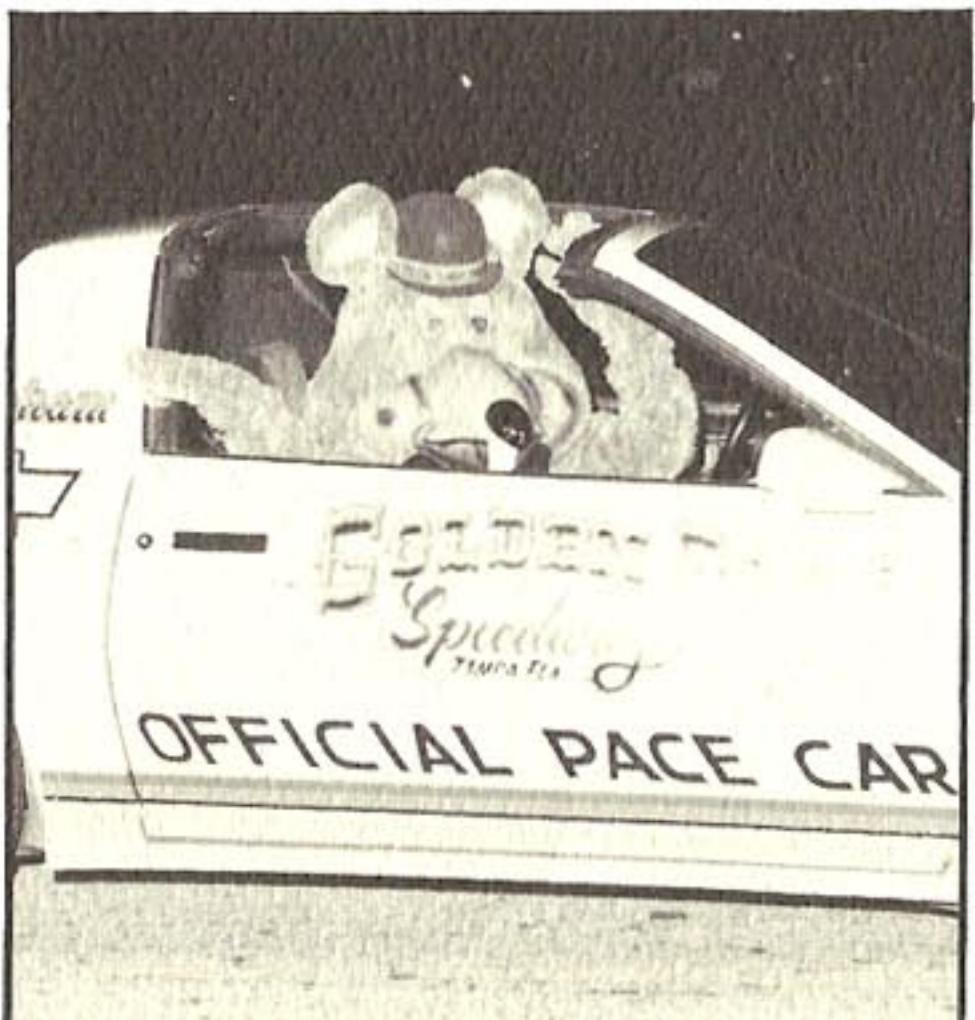
- The cola industry recently passed on a 4% increase in pricing, which is attributed to rising costs of labor, freight, and packaging.
- Moderate price increases for paper goods are predicted in early 1983, preferably no more than 4-5%.

A complete commodities report, outlining more 1983 price predictions will appear in the first quarter, 1983 issue of THE PIZZA TIMES.





A young fan of Jasper's meets his hero at the West Allis, Wisconsin Halloween party.



Chuck E. Cheese from the Fowler Avenue, Tampa, Florida store takes a spin in the official pace car at the Tampa speedway.



Chuck E. and Jasper from the Dyer Street, El Paso, Texas PTT appear on a popular children's television show.



Munch, Jasper and Chuck E. celebrate Jimmy Wilson's seventh birthday at the Citrus Heights, California, PTT. It was the 100th birthday party held that week at the store—the first PTT in the district to reach this goal.

In **Hampton, Virginia**, Chuck E. has been visiting schools, promoting good reading habits and encouraging kids to wear seatbelts. The **Pensacola, Florida**, store had a Halloween party and costume contest with over 150 entrants. Ten free tokens were given with food purchases for anyone in costume. The store had its second-best sales day since opening!

Lake Worth's Pizza Time hosted the 80th birthday party of the Children's Home Society of Florida, a service of the United Way and Community Chest. The Party was covered by the local newspaper and television station. In **Tampa—Villages**, St. Lawrence School had a fundraiser using Chuck E. Bucks and a Community Involvement Night. Over \$1,100 were made toward a

Starring the Stores



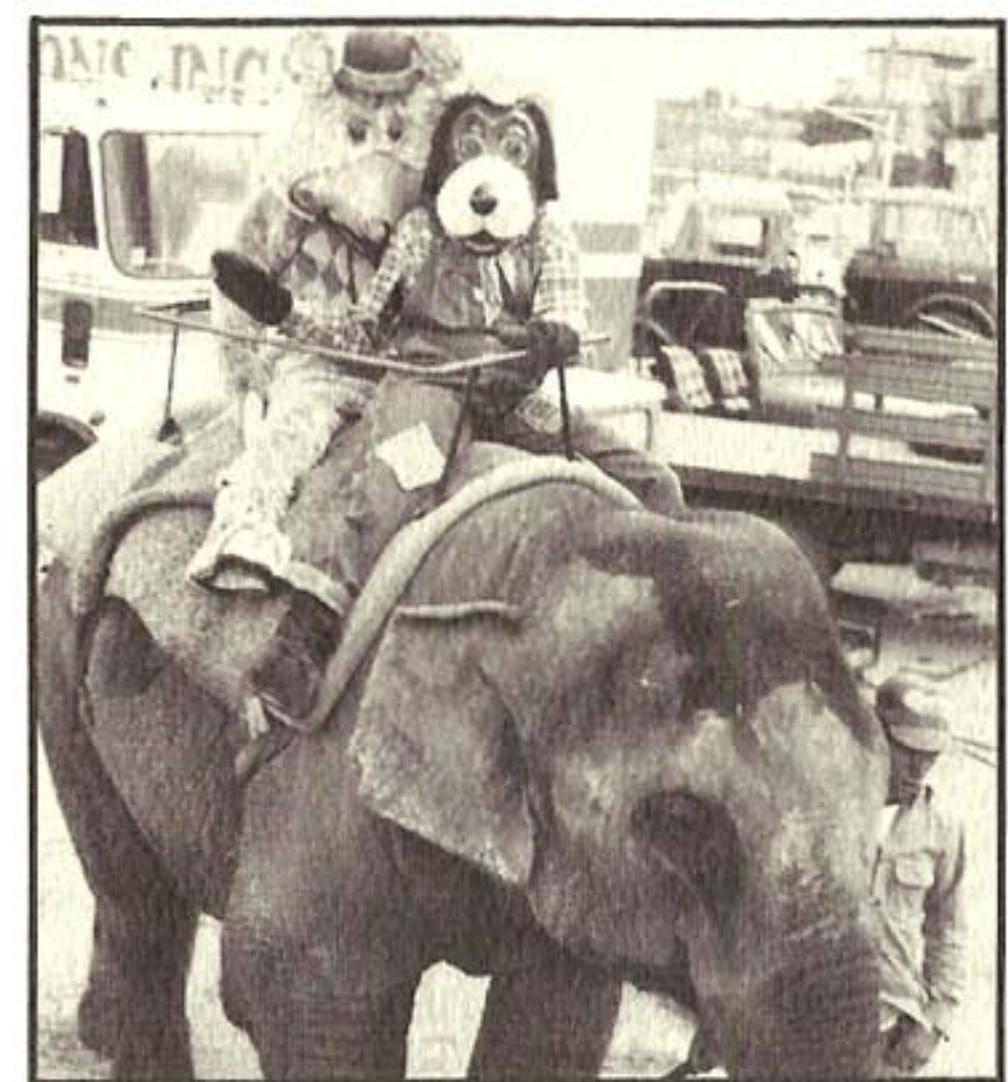
Personnel from the Sunnyvale corporate offices competed in the Battle of the Corporate Stars with several other local businesses, taking third overall and having a lot of fun in the process.



Members of a church youth group wave goodbye at 6 a.m. after an all-night party at the Daytona Beach, Florida store. About 700 attended the event.



The Count and Chuck E. strike a pose at the Pensacola, Florida store's Halloween costume contest, October 30th. It was the second biggest day of sales in the unit's history.



At the State Fair in Syracuse, New York, our favorite characters from the nearby Salina Store persuaded a friendly elephant to give them a ride. The Chuck E. Cheese petting zoo at the fair, sponsored by the Pizza Concepts Inc., was a great success.



In Boise, Idaho, Chuck E. Cheese has done a lot of work with the Cystic Fibrosis Foundation. Here, he surprises a cystic fibrosis patient with a cake and balloons on her birthday.



The Plantation, Florida store sponsored a Muscular Dystrophy Association skate-a-thon which raised \$1,000. Shown here presenting a check to Chuck Fennel (left) are Mark Weber, general manager; and Rhonda Kaminsky, group coordinator.



Chuck E. poses with a pint-sized "look-alike" during the Halloween party at the Ferndale, Michigan store.

school air-conditioner. Also in Florida, group coordinator Rhonda Kaminsky from the **Plantation** Store spoke to 580 elementary school students on pride in the school and compared it to the Chuck E.'s Pride Award.

Lynwood, Washington reports they're doing great against a recently opened ShowBiz nearby because of their top-notch crew and Chuck E. Cheese's reputation. The **Salinas, California**, store had a Community Involvement Day to raise money for a local football league. The store also helped boost league program sales with a special discount insert and character appearances at games. In **Charlotte, North Carolina**, Chuck E. Cheese rode on a float in a Thanksgiving parade with 12 children whose names had been drawn in a con-

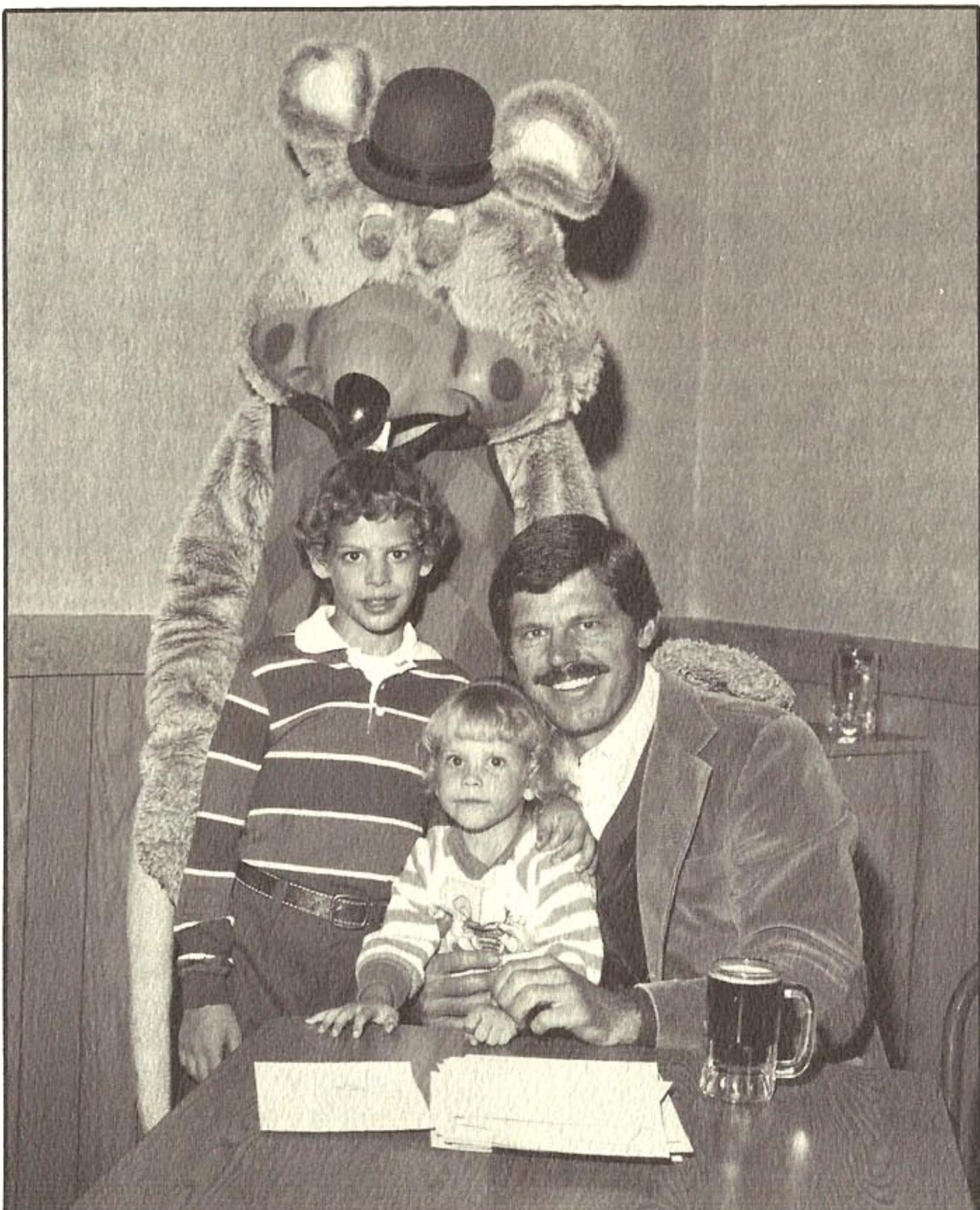
test in the store.

In **Fort Meyers, Florida**, Chuck E. appeared at a department store that gave free Polaroid pictures to kids who came in. The department store also paid for a big newspaper ad that announced the event. The **Jacksonville, Florida**, Pizza Time had a Community Involvement Night with the Big Brothers and Sisters. A television station filmed the huge 4 by 8-foot cake the group brought.

Chuck E. attended a picnic in Utah where President Reagan spoke. The secret service wouldn't clear the "Big C" so he could meet the "Gipper" and thank him for the birthday telegram, but they let him onto the picnic grounds where he passed out Chuck E. Bucks to the apprecia-

tive crowd. In **Jackson, Mississippi**, franchise owners William Melvin and Richard Ciaccio took out a full page ad in the local paper thanking the community for its support during the store's first year.

The **Ocala, Florida**, store had two costume contests per day for Halloween, with promotional items used for prizes. Winners were picked by parents applause. Chuck E. also makes two visits a month to the local hospital, checking in on both pediatrics and geriatrics. The seniors enjoy a visit from Chuck E. as much as the kids! **Pompano Beach, Florida**, brags that they had the first mainland appearance of the 30-foot inflatable Chuck E. Cheese. Very appropriate, since the Goodyear Blimp makes its winter home in Pompano Beach as well!



Ken Anderson, quarterback and team captain of the Cincinnati Bengals, visited the Florence, Kentucky, Pizza Time in support of the Mother's of the Special Children Community Involvement Day. With him is Troy Ellis and his sister, Christen, the poster child for the greater Cincinnati area March of Dimes.



Chuck E. Cheese's girls softball team in National City, Calif., poses for a team portrait.



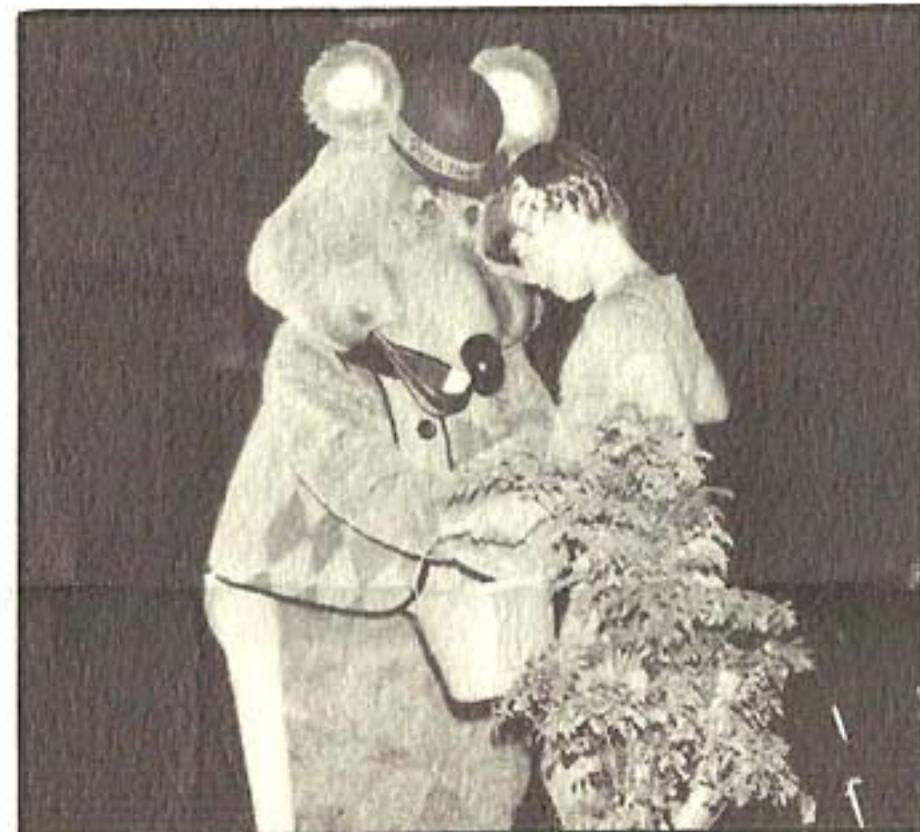
San Diego Charger Charlie Joiner, left, had a birthday party for his daughter at the El Cajon Pizza Time. Pictured with Joiner is fellow Charger James Brooks.



A dough rolling contest was held between the Stockton, California, and Sacramento—Arden Way Pizza Times to see who could make the most skins in an hour. Bridget Parker, left, of Sacramento narrowly beat Mike Whitney, right, of Stockton.



Chuck E. Cheese joins his friends on the ice at Tandy Center in Fort Worth during the Western Day skating party.



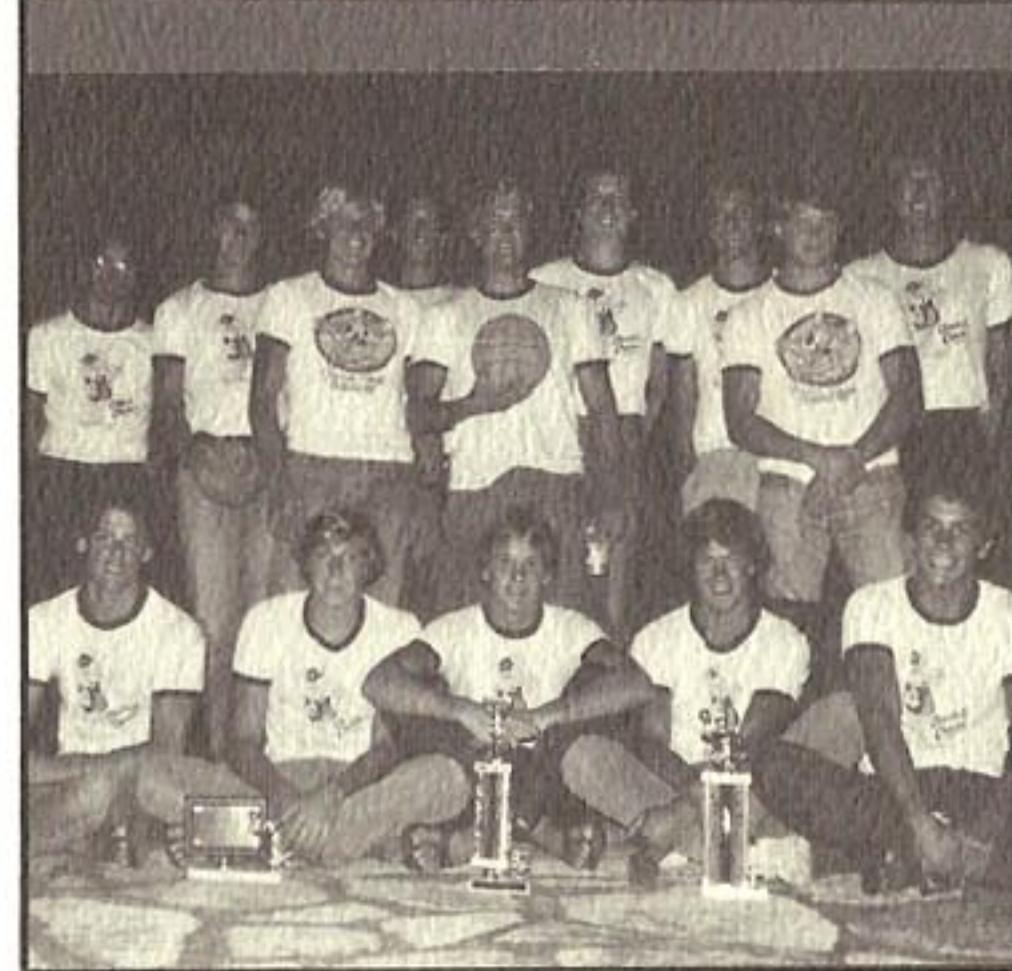
Young model poses with Chuck E. during a fashion show benefit for Muscular Dystrophy Association held in Bloomfield, Michigan.



Pascal Muller, an exchange student from France, interned this summer at the Tully Road, San Jose, California store. Here, he's shown with Keith Dupen (left) and Fred Sennewald (right).



Chuck E. uses his tail as a starting flag at an auto rally club in Beaverton, Oregon.



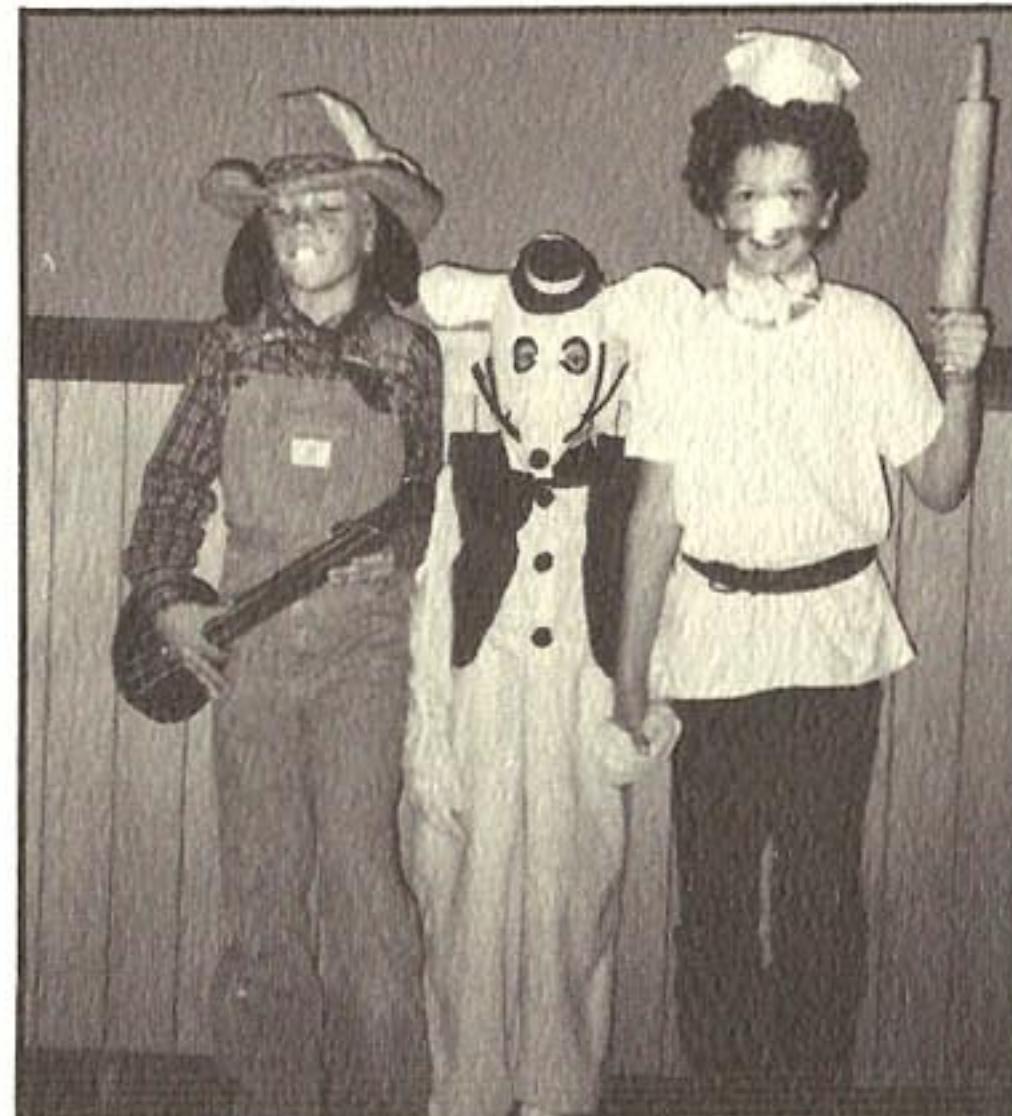
Chuck E. Cheese sponsored the Stanford Aquatic Club's water polo team from Northern California at the Junior Olympics in Memphis, Tennessee. After winning first place, the team celebrated with a party at the Pizza Time Theatre in Memphis.



Matthew and Patrick Laborteaux from "Little House on the Prairie" had a fundraiser at the San Diego—El Cajon Boulevard Pizza Time Theatre for the Youth Rescue Fund, an organization they started to help runaway children.



The softball team from the Akron, Ohio PTT took first place in the city's slow pitch league. Shown here with the trophies are (from left) Tina McCoy, promotional coordinator; Brian Kratt, food manager; Ken Kostal, operations manager; Chuck E. Cheese; and Judy Hennessey, general manager.



The Loves Park, Illinois, Halloween Fan Club Party brought out a lot of young Pizza Time Players, including this junior Jasper, Chuck E. and Pasqually.



Fredbird, mascot of the St. Louis Cardinals, gives his new friends from the St. Charles Pizza Time Theatre a warm welcome when they appeared at Busch Memorial Stadium.